

Mayor's Advisory Council on Minority and Women-Owned Business Enterprises Report, "A New Day, A Better Way"

In July 2012, Mayor Stephanie Rawlings-Blake established the Mayor's Advisory Council on Minority and Women-Owned Businesses to make recommendations in reforming the City's current approaches for assisting small, minority, and women-owned businesses.

In April 2013, the Mayor released the Advisory Council's report of bold innovative recommendations aimed at improving the City's M/WBE program and help shape the future of Baltimore's small, minority, and women-owned businesses.

In October 2013, Mayor Rawlings-Black established the Mayor's Coalition on Supplier Diversity and Inclusion, made up of minority and women entrepreneurs, and nationally-recognized advocates and thought leaders. The Mayor's Coalition has thus far held meetings in October, November, and December 2013.

Current Progress – January 15, 2014

Workgroups have been established to implement recommendations. Progress will be tracked on this site.

A listing of the recommendations is provided below.

#	Recommendation
1 A - E	<p>Prompt Payment Recommendations (pgs. 30-31 of report)</p> <p>Revisit the City ordinance governing prompt payment (Article 5, Subtitle 37-2 of the Baltimore City Code) to consider possible amendments for greater transparency and annual reporting by each City department regarding its late payments and cumulative interest penalties that have accrued as a result of late payments to City contractors and vendors. The City should be required to automatically pay the accrual of interest on payments not made timely within 30 days for all contractors participating on City contracts and projects.</p> <p>This recommendation also proposes more effective enforcement of the existing ordinance through an internal and external outreach campaign to fully educate contractors / vendors and city department and agency personnel regarding their rights and responsibilities under this law. In those instances where the City has acted in bad faith, and where formal legal action has been required on the part of contractors and vendors to recover late payments and associated interest penalties, we further recommend that the Ordinance be amended to provide for the award of reasonable attorney fees by the City to the prevailing contractors and vendors in such legal actions. (p. 30)</p>
2 A - B	<p>Enact a Comprehensive City Procurement Law modeled after either the State of Maryland's Procurement Statute and regulations or the model procurement law and regulations developed by the American Bar Association. The intent of the procurement law is to create competitively viable companies within the M/WBE community. (p. 31 of report)</p>

3 A - E	<p>Waivers and Goal Setting Recommendations (pgs. 31-32 of report)</p> <p>Provide mechanisms for independent review of waiver requests, including acceptance and denial of requests based upon objective standard criteria. Implement best practice models such as the Centralized Vendor Registration (CVR) model used by the city of San Antonio where M/WBE availability is measured and weighted by North American Industry Classification System (NAICS) codes on a contract-by-contract basis by a goal-setting committee. (p. 31)</p>
4	<p>Implement a Small Local Business Enterprise Program including consideration of a Small Business Reserve set-aside (p. 34 of report)</p>
5	<p>Establishment of Mayoral Commission on Supplier Diversity and Inclusion (p.37 of report) to follow through in directing, monitoring, and reporting the implementation of the recommendations set forth in the final report, including, but not limited to:</p> <ul style="list-style-type: none"> • Development of Action Plans for implementation of recommendations. • Reordering of priorities based upon available resources and potential impact of various recommendations. • Further consideration and recommendations regarding the administrative restructuring of the Mayor's Office of Minority and Women-Owned Business Development and the Minority and Women's Business Opportunity Office, as well as their respective roles, responsibilities, and functions. • Ongoing review and reporting on the effectiveness of various initiatives. • Recommendations for further policy and administrative reforms as necessary to ensure the mainstream inclusion of M/WBE firms in the City's broader marketplace.
6	<p>Economic Development Pilot Projects (pgs. 38-40 of report)</p> <p>Create taskforces for the pilots recommended as a part of the report's economic development initiatives. Especially implementing the "Green, Healthy and Sustainable Homes Project" pilot, the "An Urban Solar Power Initiative" pilot, and the Innovation Cluster pilot projects as priorities.</p>
7 A, B, & D	<p>Policy Reform Recommendations (pgs. 33-34 of report)</p> <p>End subcontracting abuse by implementing effective sanctions and remedies that will enforce and strengthen the M/WBE ordinance. (p. 33)</p> <ol style="list-style-type: none"> 1. Sanction repeat offenders by suspending them from bidding as "non-responsible" bidder when they substitute or terminate M/WBE subcontractors without just cause and without prior approval by MWBOO. 2. Attach liquidated damages contract clauses as well as sanction clauses for suspension from bidding on City contracts for up to 3 years for violation of program rules. 3. Update contract terms to improve conditions of fairness and equity. Prime contracts with the City will need to insert flow-down provisions for subcontractors and provide some administrative hearing or arbitration procedure mechanism for adjudicating complaints. 4. Within the Ordinance, specify the agencies and quasi-agencies to which the M/WBE law applies. Require all affected agencies to report their MWBE participation to MWBOO and MWBD on a semi-annual basis.

7.C	HABC and BCPS Procurement Coordination. The Advisory Council recommends that HABC and BCPS, to the extent practicable, seek approval from their respective funding and oversight agencies to use the revised City procurement code and methods of competition when procuring goods and services. (p. 34)
7.E	<p>Certification. (p. 34)</p> <ol style="list-style-type: none"> 1. Direct MWBD and MWBOO to convene a working group consisting of stakeholders from the City, State of Maryland and appropriate third-party certification organizations and determine reciprocity opportunities and other streamlining initiatives that will support Baltimore's M/WBEs and minimize the administrative burden of the certification process. 2. Re-examine the certification process making it reflective of the City's objectives and simpler for M/WBEs to complete and be electronically accessible. Make the list of M/WBEs easily accessible and searchable. Model it after the Maryland Department of Transportation's (MDOT) certification database.
8	<p>Bonding Assistance Program / Authorization of Personal Sureties (p. 37 of report)</p> <p>Relax bonding requirements at the prime contracting level, where appropriate, and where there are bonding requirements, allow prime contractors and subcontractors to utilize individual sureties in lieu of traditional bonding.</p>
9 A - B	<p>Annual Reporting and Departmental Inclusion Plans (p. 33 of report)</p> <p>Departmental Inclusion Plan. Require each department to annual develop a M/WBE Inclusion Plan and Goals for each City Department and evaluate each department head on achievement of plan's objective.</p>
10 A - D	<p>Access to City Services and Resources (pgs. 35-36 of report)</p> <p>Create a web-based "one-stop shop" portal, funded, developed and managed by the MWBD. This portal should provide a single point of entry and seamless access to city services, and information for small, minority and women-owned businesses.</p>
11 11.A - D	<p>Transform City Government Culture to be Business-Friendly (p. 36 of report)</p> <p>Conduct an Annual Customer Satisfaction Survey of City vendors and M/WBEs. The survey would ask vendors, among other things, to identify procedural impediments and service breakdowns in the bureaucracy that make it more difficult to do business with the City, and to also identify exceptional performance by City department staff that is worthy of special recognition and reward for the manner in which business constituent complaints and issues have been resolved.</p>
12	<p>Establish Linked Deposit program (p. 37 of report)</p> <p>Establish through regulation or Ordinance a "Linked Deposit" program that will include certain reporting requirements for the City's banking institutions regarding commercial loan applications and that will leverage the City's deposits and/or investments in financial institutions and funds to promote more aggressive lending practices and greater access to capital with respect to minority and women-owned businesses.</p>
13	Develop regional Baltimore City Mentor-Protégé program (p. 37 of report)

14	<p>Unbundling Contracts (p. 32 of report)</p> <ol style="list-style-type: none"> 1. Create an inter-agency group to develop strategies and criteria for unbundling contracts in the City's procurement code. 2. Require each department to undertake unbundling as a consideration when developing contracts. 3. As a part of the contract review process, (and criteria to be established regarding unbundling), departments must justify why the contract cannot be efficiently broken down into smaller components.
15	<p>Support the state acquisition legislation that utilizes tax incentives to create an environment where it would be advantageous to sell ongoing business concerns to M/WBEs. (p. 37 of report)</p>
16 A - C	<p>Monitoring and Compliance Recommendations (p. 33 of report)</p> <p>Standardize M/WBE contract monitoring duties across City departments.</p>
17	<p>Improve automated bidder registration, contracting and procurement data collection and retention procedures to facilitate improved goal-setting and tracking of availability and utilization of M/WBE firms. Improve targeted outreach to all prospective bidders and subcontractors regarding upcoming contract and subcontract opportunities. (p. 31 of report).</p>
18	<p>Establish an online payment system, with streamlined invoice procedures for accelerating payments to vendors and contractors for approved work in much less than 30 days. (p. 31 of report)</p>
19	<p>Create an Advocate / Ombudsman role within Mayor's Office of Minority Women-Owned Business Development to act as a One-Stop shop for issues related to M/WBEs, referrals to technical assistance and financing programs, and to address any challenges that they may encounter. (p. 36 of report)</p>
20	<p>Voluntary Minority Distributorship Development Program to provide incentives to manufacturers to establish authorized dealerships or distributorships with M/WBE suppliers. (p. 35 of report)</p>